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Presentation to the Premier and Members
Of Cabinet, Made on Behalf of Ten 1
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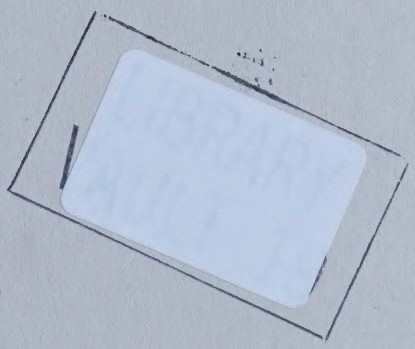

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MR. PREMIER AND MEMBERS OF CABINET:

This Presentation is made to you on behalf of the following Management organizations in Alberta:

ALBERTA CHAMBER OF COMMERCE

ALBERTA CONSTRUCTION ASSOCIATION

ALBERTA CONSTRUCTION LABOUR RELATIONS ASSOCIATION

ALBERTA ROADBUILDERS ASSOCIATION

CALGARY CHAMBER OF COMMERCE

CANADIAN MANUFACTURERS' ASSOCIATION - ALBERTA BRANCH

CANADIAN PETROLEUM ASSOCIATION - ALBERTA DIVISION

COAL ASSOCIATION OF CANADA - ALBERTA BRANCH

CONSTRUCTION OWNER'S ASSOCIATION OF ALBERTA

EDMONTON CHAMBER OF COMMERCE

We requested this meeting in order to present to you major concerns that we have in respect to the proposed Labour Act to be introduced at this session of the Legislature. We thank you for meeting with us at this time.

In the fall of 1972, both Labour and Management were delighted to hear the Minister of Labour state that he proposed that there be a complete revision of the Alberta Labour Act for the purpose of updating its provisions and making the Act a more readable and understandable document. We believe

that a number of problems that exist in the present Labour Act are resolved in the Bill.

The procedure selected by the Department of Labour for reviewing the present legislation was to involve both Labour and Management in tri-party rounds of meetings with Government. This approach is both logical and worthwhile, as it avoids enactments of legislation which are unworkable or unenforceable in the daily relationships of employers, employees and bargaining agents. Inherent in this procedure is the requirement that the parties involved be given sufficient time within which to prepare submissions and to study and comment upon departmental proposals. This year, primarily because the Department of Labour is understaffed and the task undertaken by them was such a major one, we found that the time available to Management was extremely short, particularly in relation to our ability to study and comment upon the working papers produced by the Department of Labour. Due to this time shortage, we were not able to successfully or completely present our views to the Department or your

Minister on a number of serious and significant changes in the proposed Labour Act. We found that the Department of Labour had redrafted sections of the working papers without us having an opportunity of commenting upon these revisions, and in some cases, the redrafts were completed prior to the initial drafts being reviewed in the first instance. We would hope that in the future, a procedure can be found whereby Management and Labour will still be afforded an opportunity of commenting upon the proposals of the Department of Labour with respect to amendments to the Act and that we will be given a fair and reasonable period of time to bring our comments to Government's attention.

We requested the opportunity of meeting with you in order to deal with serious matters of concern that we have with the Labour Bill. We have not attempted to itemize or detail each and every concern that employers have generally, but rather, we have attempted to restrict our remarks to six or seven items. We believe there must be an alteration in the following matters if the legislation is to be practical and workable in this Province.

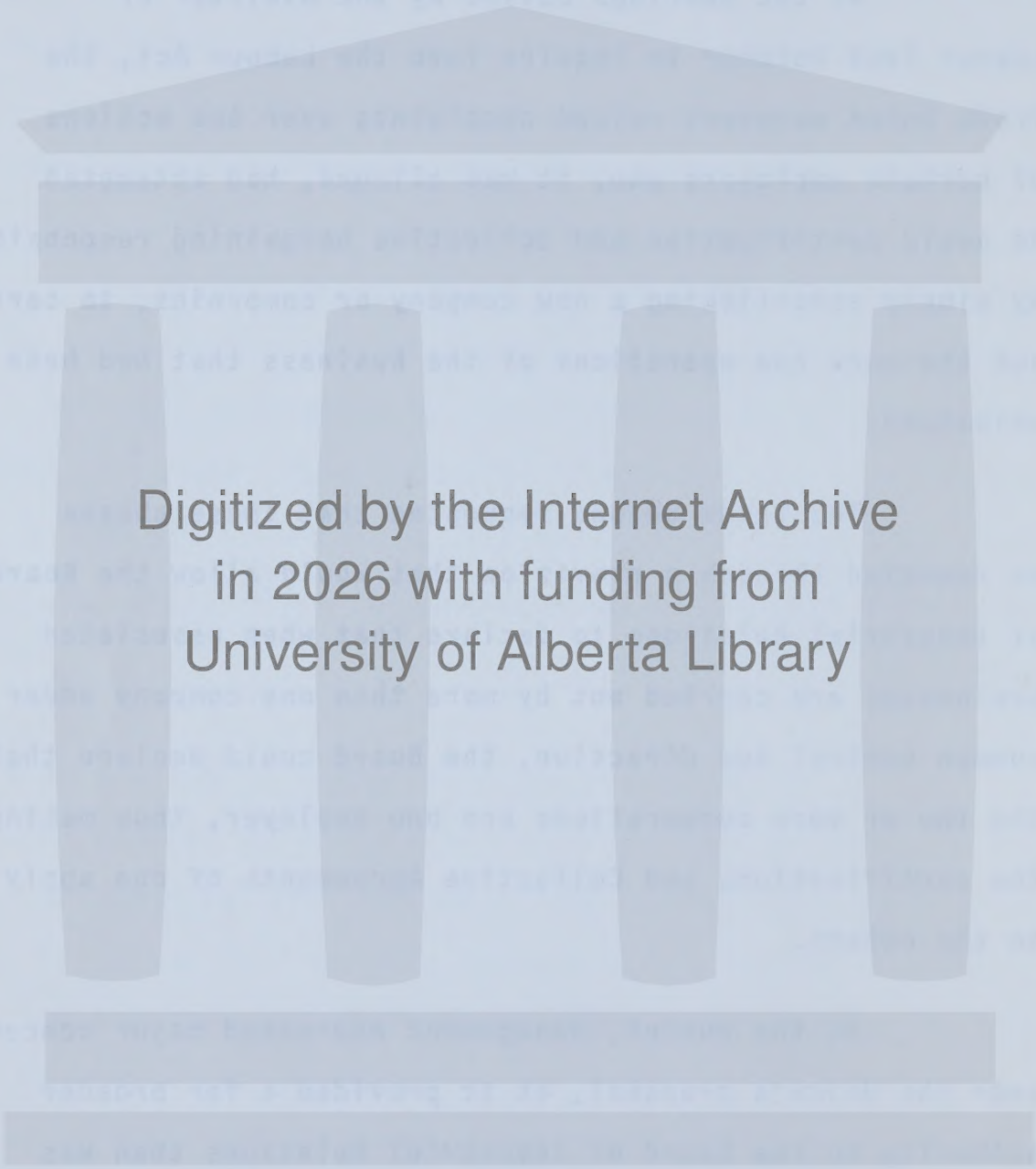
I. SECTION 145 OF PROPOSED LABOUR ACT - CORPORATE "SPIN-OFFS":

At the hearings called by the Minister of Labour last October to inquire into the Labour Act, the Trade Union movement raised complaints over the actions of certain employers who, it was alleged, had attempted to avoid certification and collective bargaining responsibility by simply establishing a new company or companies, to carry out the work and operations of the business that had been unionized.

The trade unions requested that these abuses be remedied through a provision that would allow the Board of Industrial Relations to declare that when associated businesses are carried out by more than one company under common control and direction, the Board could declare that the two or more corporations are one employer, thus making the certifications and Collective Agreements of one apply to the others.

At the outset, Management expressed major concern over the Union's proposal, as it provided a far broader authority to the Board of Industrial Relations than was necessary to deal with the matters complained of.

During the last four months, representatives of Management have met with the Minister of Labour and officials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from his Department and reviewed this problem at length. During the course of these discussions, it was apparent to us, and we have been assured by the Minister, that it is not the Government's intention to do anything more than simply provide protection against employers attempting to frustrate the Labour Act through the expedient of incorporating further and other companies. Management does not quarrel with this intention, but we are concerned over the language that has been proposed to cover this subject under the Act.

Section 145 of the proposed Labour Act has undergone a number of drafts, each one being rejected as either providing too broad an application and presenting a major degree of "over-kill", or as providing no protection at all. We now understand that just prior to the Labour Bill going to the printers, Section 145 was revised again, and that the Department has reverted to the language first proposed by the Trade Unions, which reads as follows:

> "Where, in the opinion of the Board, associated or related activities or businesses are carried on by or through more than one corporation, individual, firm, syndicate or association, or any combination thereof, under common control or direction, the Board may declare that the corporations, individuals, firms, syndicates or associations or any combination thereof, are one employer for the purpose of this Act."

The above provision is simply not acceptable to Industry, and causes us greater concern than any other proposal.

In order for you to understand the implications of this proposed Section, you must appreciate that there has always been, and if we can take the development in the United States as a precedent, there will continue to be both Union and non-Union markets within Industry. This, of course, is confirmed by the fact that only about thirty per cent of Alberta employees have been organized into trade unions.

It is common today for businesses to operate one division of an enterprise with union personnel and others with non-union people, as the market dictates.

In building construction, businesses often maintain one division "union" to carry out industrial, commercial and institutional building construction, but maintain other divisions "non-union" to carry out house building and apartment construction. For years, Mechanical or Electrical Contractors have operated "union" under sub-contracts, but through a related or associated company,have carried out service contract work with non-union people. In the trucking business, it is not uncommon for the

enterprise to operate its over-the-road hauling with non-union personnel, yet through a related company, to operate "union", in order to be eligible to tender with respect to industrial site hauling. In the Roadbuilding Industry, we find that at least eighty per cent of business is performed "non-union", and only a minor portion of operations have developed into exclusively union markets. These include dam construction and industrial site preparation work, yet sewer and water construction, gravel pit operations, and the majority of highway construction is carried out "non-union".

These examples, of course, are only illustrative of a common practice of industry in this Province and country, and which practice is fully recognized by the Minister of Labour and his officials.

We are strongly opposed to the language of the proposed Section 145 for the following reasons:

1. This Section allows a trade union to apply to the Board of Industrial Relations for a declaration that two or more companies under common control, be treated as one. Such a declaration would have the effect of unionizing companies or industries overnight. This Section would provide trade

unions with an unwarranted and improper vehicle for organizing employers, and this organizing could be accomplished without the union ever having to gain the support or consent of the employees. We fear that by operation of this Section, all those corporate complexes in Alberta that now compete within the union and non-union market would be subjected to a union campaign designed to achieve complete unionization. We believe that Trade Unions would not use the provision as a shield against improper company action, but rather as a sword to achieve greater unionization. Because there are no limitations on the operation of the Section, trade unions have nothing to lose by flooding the Board of Industrial Relations with applications under the same. If the application succeeds, all businesses associated with the one that is organized, would become "union" overnight. Employers will be besieged with union applications made under this Section, as the Section gives to the Trade Union movement, an organizational tool that is devastating.

2. The proposed Section does not contemplate or face the realities of business in this Province. Although the unions' complaint is against "union" businesses establishing non-union companies, there are far more companies incorporated by non-union enterprises who wish to expand into the "union" business market. This occurs regularly with respect to house builders, oilfield contractors and builders working the rural community, who decide to expand into commercial and industrial

construction. In order that the whole of a company's operations would not become union (and usually because the general market of that business is non-union and employees working in it do not wish to be Union members), a separate company is incorporated which takes on the Union Collective Agreement and thus allows the enterprise to bid work in the Union field.

The proposed Section does not, we submit, recognize through any limiting feature, the different aspects of carrying out business in the Province.

The suggestion that two companies in related activities and under common control be treated as one, and that the certifications and Collective Agreements of one apply to others, does not recognize the different markets within Alberta Industry. The proposed legislation would have the effect of making any enterprise choose between being wholly Union, or wholly non-Union, and once the choice was made, it would make it impossible for the enterprise to work in both markets. The net result would be to limit drastically any competition within the two areas of activity, which, we believe, would not be in the public interest.

Under the proposed language, Industry would not only be hamstrung in carrying out legitimate expansion for fear of having all enterprises become Union at the instance of a decision by the Board of Industrial Relations, but Industry would be forced into Union or non-Union slots that would inhibit competition and commerce generally, would discourage business from entering the Province, and would all but make it impossible for conglomerates to continue to operate, as they now have within their complex,both Union and non-Union businesses that are related and under common control.

3. In franchised operations, the franchisor invariably maintains control and direction with respect to the operations of any franchisee. The proposed Section 145 is quite capable of having application to such operations. Surely it was never intended, nor is it proper that the operations of a franchisee should become unionized overnight, simply because the franchisor, or another franchisee has been organized.

4. An overriding concern to those above, is that employees' rights are completely disregarded under the provision. It is a basic principle of Labour legislation that employees have a right to select their bargaining agent. A successful trade union under the proposed clause, would not only organize an employer through the Board's declaration, but would also organize the employees, whether

they wanted the union as bargaining agent or not. This concept is clearly contrary to the spirit and intention of Labour legislation.

5. As mentioned above, we have received assurances from the Minister of Labour and officials from his Department, that they do not intend any provision to subject Management to abuses as referred to in No. 1, or to impede Management's proper expansion and commerce, as referred to in No. 2, or to improperly affect employees, as referred to in No. 4. But surely the fact that these assurances have been given raises concern with the provision. We submit that it is unsound to advance legislation where the same requires Ministerial or other assurances to the effect that the clauses apparent or all-encompassing provisions will not be invoked. If a Ministerial caution must be given so that the full meaning of legislation is not invoked, then that legislation ought to be redrafted, so no such governmental undertaking need be given.

We believe that the abuses complained of by the unions can be remedied in a far simplier fashion than proposed, without raising the major concern of Industry.

We recommend that the conduct complained of be made an offence and be included within the Unfair Labour Practice Sections. We further recommend that the Section contain reasonable limitations as to when the same can be

invoked.

When the Board finds an employer conducting itself improperly, it can levy fines and direct that such action cease.

We request that Section 145 be deleted from the proposed Act, and that the following Sections be made part of the Unfair Labour Practice provisions:

> "(a) No employer or other person shall establish or carry on associated or related businesses, undertakings or activities within a common trade jurisdiction and competitive market, through one or more corporations, partnerships, firms, persons or any combination thereof, under common control and direction for the purpose of avoiding any duty or responsibility under this Part.
>
> (b) This Section will not apply where the business, undertaking or activity complained of, ensures to employees more favourable conditions than contained in the Collective Agreement, nor shall this Section have application against the wishes of a majority of the employees who may be affected."

II. REGISTRATION OF EMPLOYER ORGANIZATIONS:

In 1967, the Canadian Construction Association, as a Centennial project, commissioned a major inquiry into its critical and troubled areas of operation. The services of some of Canada's most highly respected authorities were engaged to carry out the project. A Steering Committee consisting of senior Labour and Manage-

ment representatives was established and worked with a research group throughout the project.

The detailed research studies, edited by H. Carl Goldenberg and John Crispo, were published in late 1968 and were made available to the Prime Minister, Premiers, Ministers of Labour, and their Deputies, in the Federal Government and in each Provincial Government.

In the early part of 1969, the Alberta Construction Association proceeded to find ways and means of giving effect to the recommendations made by Goldenberg and Crispo. The first step that was taken was to meet with the Provincial Cabinet in Alberta in order to introduce the Government to the study and recommendations.

The clear finding of the Inquiry was that there was a complete imbalance in Collective Bargaining between contractors and unions, and that this imbalance had lead to practices within the Industry, which were injurious to and incompatible with the public interest. The Construction Industry requested that legislation be enacted to remove the imbalance of strength.

The major request was for the implementation of Goldenberg's concept of accreditation or registration of employer organizations.

It was pointed out to the Government that because employer organizations almost exclusively carried on Collective Bargaining with trade unions, or councils of trade unions, in the Construction Industry, it was essential that such associations not be broken down, either by trade union undermining, or by members divorcing themselves from such associations in a crisis. Therefore, just as the Building Trade Unions are the statutorily-recognized authority in carrying on bargaining for employee members, it was submitted that employer organizations must also have such authority. It was pointed out that the concept would place contractors in a position whereby they would have some collective control over the Industry at the time of a major dispute.

Following the conference called by the Minister of Labour in October, 1969, Industry was advised that the Government was prepared to grant legislation implementing the concept of registration. In July, 1970, the Alberta Labour Act contained for the first time, provisions which contemplated the

registration of employer organizations as the exclusive bargaining agent for employer groups. In 1972, the Section dealing with registration underwent major revision and amendment.

At this date, a number of employer organizations have been registered, pursuant to the legislation.

We have been concerned with one aspect of this legislation from the time it was first enacted. The initial concept of registration, which is carried forward into the proposed Act, is that employers coming within a Registration Order are "locked into" a bargaining unit only until the 60th day of a strike. On the 61st day, all employers are entitled to act independently of each other and independently of the bargaining authority of the Association that has been granted the Registration Order. We find this is unacceptable.

One of the main reasons why registration was recommended to us by Goldenberg and Crispo, was to provide the Construction Industry with stability at the time a union went on strike, so that no single contractor could capitulate, thus allowing the union to whipsaw that agreement back against all of the contractors. The concept of registration was premised upon there being only one Collective Agreement within the trade and that Agreement being negotiated by the registered contractors'

organization. We find, however, that the legislation only restricts a contractor from making a private and separate settlement until a strike has been in effect for 60 days. This concept not only operates directly in the face of registration, but from a practical position means that any trade union can demolish registration by simply maintaining a strike for 60 days, and on the 61st day, make its settlement for the Industry through one dissident contractor.

The proposition that an employers' organization be stripped of its bargaining agent authority during a work stoppage while at the same time, the Union retains its full bargaining power, is patently unjust and unfair. How can an employers' organization effectively negotiate on equal terms with a trade union when it is recognized that the employers' organization will lose all control over employers on the 61st day of a strike. We believe this bargaining handicap against Management must be removed. We reject the hypothesis of this Section, that a trade union is somehow a more legitimate on-going agent for its members than is an employers' organization.

Construction contractors have organized into employer organizations and have sought registration, as responsible action to remove fragmentation within the Industry. It is only through effective organization that this Industry can control the inflationary spiral in construction costs which is so evident in their Industry. It is unacceptable

that this effort should be frustrated and made ineffective by the 60-day provision.

We do not believe that it is reasonable that the Government and the Department of Labour should sit back and wait until an employers' organization is shattered due to a strike continuing for a period in excess of sixty (60) days. We foresee such an occurrence happening as the only reasonable consequence of the legislation, as it is presently written. If an employers' organization were shattered, the sector of the Construction Industry involved would be put into chaos. It is absolutely essential that the legislation be amended by removing the 60-day provision, and we request your serious consideration in this regard.

III. UNFAIR LABOUR PRACTICES:

A large number of Collective Agreements operating within the Province contain a "closed shop" or "union shop" Union Security provision, that makes it a requirement of continued employment that an employee be, or become a member of a Trade Union and maintain that membership in good standing.

By operation of these clauses, Trade Unions are able to:

(a) control the number of persons that are able to gain work in any craft or trade, and,

(b) control and direct the actions of any employees to the Union edict.

Control over the labour pool is exercised by the Union simply refusing to take any more tradesmen into membership. As it is a condition of employment that an employee maintain membership in the Union, those that do not attain membership are either not employable or must be terminated.

Control over the employee is maintained by the threat that if the employee does not do exactly as told by the Union, he will be disciplined under the Union's Constitution and expelled from membership, which, of course, would result in his being terminated from employment.

In this Province, we have witnessed, and suffered from the experience of trade unions refusing to take tradesmen into membership in order to deny an employer a work force, and thus "starve" the employer into submission.

It has also become common for trade unions to direct their members to carry out illegal and improper actions in order to exert pressure against an employer. The employee is forced to carry out the union's edicts, as he faces expulsion from membership if he resists. Loss of membership is loss of ability of that person to work in perhaps the only area of his knowledge and experience.

Trade union abuse of the "closed shop" and "union shop" clause invariably arises when employers and the union are in dispute. Unfortunately, the employee, who is either denied membership in the Union or is directed to carry out improper acts, is usually an innocent third party to the matter.

In the United States, the Taft-Hartley Act corrected these abuses and made the closed shop union security concept unlawful and contrary to public policy in that country.

In the proposed Labour Act, Section 148(3)(a)(ii) and Section 150(f) are designed to cure the abuses inherent in these provisions.

We commend the Department of Labour and the Government for initiating these provisions, however, we point out that the proposed Sections have only covered one half of the problem. These Sections make it unlawful for an employer to terminate, or for a Trade Union to require an employer to terminate, any employee because he has been expelled from the Union for reasons other than non-payment of dues, assessments and initiation fees.

This Section does not inhibit the Union's ability of denying employment to workers and controlling the supply of labour by withholding Union membership from workers. We do not suggest that there be provision requiring Unions to take all persons into membership. We do, however, believe that there should be a provision that provides that an employer is not required to fire an employee because he has been denied membership in the Union for reasons other than his failure to pay dues, assessments and initiation fees.

We recommend that Section 148(3)(a)(ii) and Section 150(f) be expanded to read as follows:

"Section 148(3):

No employer or employer's organization and no person acting on behalf of an employer or employer's organization, shall:

(a) refuse to employ or continue to employ any person, or discriminate against any person in regard to employment, or any term or condition of employment, because the person:

(ii) has been expelled or suspended from membership, or refused membership in a trade union for a reason other than a failure to pay or to have paid the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the trade union as a condition of acquiring or retaining membership in the trade union."

"Section 150:

No trade union and no person acting on behalf of a trade union shall:

(f) require an employer to terminate the employment of an employee because he has been expelled, or suspended from, or refused membership in the trade union for a reason other than a failure to pay, or to have paid the periodic dues, assessments and initiation fees uniformly required to be paid by all members of the trade union as a condition of acquiring or retaining membership in the trade union."

IV. VOTING PROCEDURE:

Under the Labour Act, two of the most critical votes that can be taken, are in respect to an application for certification or an application for a strike vote. At present, if the Board of Industrial Relations decides that a vote shall be conducted to determine whether an applicant Trade Union should be granted certification, that vote is administered by the Department, and the Trade Union is not successful unless the vote indicates that a majority of the employees who come within the proposed bargaining unit have given the Union their support. This is the same procedure that applies when a trade union calls for a strike vote. The Union will be entitled to call a strike only if a majority of the employees within the bargaining unit vote in favour of strike.

The justification for having these votes determined on the basis of a majority in the bargaining unit rather than on a majority of those voting, is that all employees in the unit, whether they vote or not, are irrevocably affected.

The Department of Labour has changed this procedure in the proposed Labour Act and has specifically provided that with respect to votes held on certification

applications and strike votes, the application will be determined by a plurality "of those voting".

We strongly object to this concept and maintain that the procedure must take into account, the number of employees that have refrained from voting. There can be no justification for an active minority to force its will upon a majority of employees.

The concept of certification is predicated upon a majority of employees indicating that they"choose" a bargaining agent. The Board can be satisfied, under the Act, that this has occurred, by holding a vote, or by reviewing evidence of membership. All other certification sections retain the concept that the applicant union must be "selected" by a majority of "employees in the unit" and the provision with respect to the vote is simply not consistent with this principle.

With respect to the strike vote, the proposed legislation still provides (as indeed it should), that a strike cannot legally take place until the employees affected by the dispute, have voted in favour of strike action. How

is this consistent with a provision to the effect that the strike vote will be determined on the basis of those voting? Employees who do not vote are equally "affected" by the dispute.

Justification for the proposed revision appears to be based on the premise that in political elections, the outcome is determined by the majority of those casting the votes, rather than the majority of those affected. It must be recognized that the concept of certification and strike is predicated upon there being a majority of employees who are affected by such action, voting for it. This is not analogous whatever to a political election. On the political scene, the voter always knows that he will have an opportunity for reviewing his decision at the next vote which automatically occurs. Such an opportunity is not available to employees affected by certification or strike.

It is fundamental that certification votes and strike votes be based upon the majority of employees affected within the bargaining unit, and we request that the proposed legislation be amended accordingly.

V. DEFINITION OF STRIKE:

In the proposed Labour Act, the Department of Labour has retained the definition of "strike" that is contained in the present legislation. Section 50(1) defines a strike as a cessation of work by employees in concert for the purpose of compelling an employer to accept terms or conditions of employment.

The definition of a strike has major importance, because the Act specifies when a strike can be lawfully taken and when it is prohibited. Unlawful strike action can, of course, be enjoined by Injunction Order issued by our Courts, or by a Cease and Desist Order issued by the Board of Industrial Relations.

We submit that the definition of strike is not complete and must be amended.

Our first concern with the definition is that it covers only a stoppage of work and does not cover concerted action of employees to slowdown or limit production or output, which, at common law, has always been within the concept of "strike". During the negotiations of the recent

Elevator Industry Agreement, and long prior to the official strike and shutdown taking place, elevator companies were coerced and intimidated by a Union campaign to have productivity severely limited with respect to new installations. Whereas the normal time used to install a complete entrance frame had formerly been one working day maximum, during the period of negotiations, elevator companies experienced numerous cases where three weeks were expended on such installations.

Installations which would normally require 400 man-hours to complete, accumulated in excess of 1,400 hours, and such installations were not completed.

The final adjustment and clean-up periods, which normally took approximately one to one and one-half weeks, took as much as seven weeks of crew time during negotiations, and such work was never finalized.

In both the stationary and construction industries, Management has been subjected to action designed to limit productivity, yet because the definition of strike in the Labour Act contemplates only a stoppage of work, Injunctions

or Cease and Desist Orders are not available to curtail these illegal activities. We believe that this must be remedied.

In our discussions with the Department of Labour officials, we were advised that they were reluctant to include "slowdowns and restrictions on productivity" within the definition, because they felt that it is difficult to establish that such action is being taken. Whether a slow-down or productivity restriction can be established or not, is a matter of evidence, and although this may be difficult to establish, this surely is not a reasonable argument against expanding the definition to cover such conduct.

Our second concern with the definition is that it provides that a cessation of work will become a "strike" only if it is established that the employees' action was taken for the purpose of compelling an employer to accept conditions of employment.

Management is often faced with shutdown caused by employee participation in study groups, union meetings, conventions, or arising as a result of disciplinary action taken or over grievances having nothing to do with terms or conditions of employment. In this Province as well as elsewhere

in Canada, it is often impossible to determine any reason whatever for employees strike action. Surely no employer should be inhibited from obtaining a Cease and Desist Order bringing such action to an end, simply because he is unable to establish that the motive for the shutdown was to compel him or other employers to accept conditions of employment. If employees in concert cease work, that action in itself amounts to a strike under the Labour legislation in most Provinces.

We request that Section 50(1) of the proposed legislation be amended to read:

> "A strike includes a cessation of work, a refusal to work or continue to work, by employees, in combination or in concert or in accordance with a common understanding, or a slowdown or other concerted activity on the part of employees, designed to restrict or limit output."

VI. EMPLOYERS' VOLUNTARY GROUP BARGAINING:

For some years, the Labour Act has contemplated groups of employers joining together on a voluntary basis for the purpose of conducting collective bargaining; (this form of bargaining is not to be confused with bargaining

under a Registration Order). Voluntary group bargaining is presently the commonest form of bargaining in the Province, and has been fostered and supported by both Labour and Management. Labour prefers to deal with employers as a group, principally because this process saves time and expenses. Employers prefer this type of bargaining because they know that all companies in a common business sector will be subjected to common conditions of employment.

Employers have conceded for some time, that if they voluntarily become part of a group for collective bargaining, they should remain within that group until the dispute is settled. The present Labour Act appears to confirm this position, however, there has been a disagreement over the interpretation to be given certain sections of the Act pertaining to this question.

When we were requested to make submissions to the Department with respect to a new Labour Act, we asked that the language be clarified to ensure that employers who conduct bargaining on a voluntary group basis be "locked into" the group until the dispute is resolved. No representative of Labour or Management raised any question over our proposal, as most felt that the present Act already provided what we were asking for, and believed that this approach was proper.

When the Department's working paper was delivered to us, we were pleased to find that the "lock-in" of employers in voluntary group bargaining was clearly and concisely set out.

However, following the Labour Bill going to the printers, we were advised that the Department had changed its mind and had reversed the whole concept of group bargaining. We now understand that employers are given a right to leave the group and go their own way at any time after a strike has commenced. This change in policy is not only retrogressive, but wipes out years of progress made in collective bargaining.

The most astounding feature of the above change in policy, is that no one asked that the change be made. We are advised that no representative of an employer, employees, Labour or Management requested that the concept of voluntary group bargaining be altered from that contained in the Department's working paper.

If employers can scatter on the verge of a strike, and make their own private settlement, group bargaining on a voluntary basis has no benefit. Employers who are

weak or vulnerable will be selected by the union for strike action. The employer struck will break down because the group support has vanished. The settlement forced on the weak and vulnerable will be whipsawn against the industry and Management will again be accused of irresponsibility in collective bargaining.

We have been advised that the Department changed its policy by reason of concern over the position of some employers who may be caught in a long strike taken against an employer group, and may suffer if they lose their individual right to settle. Those employers are part of the group on a voluntary basis. They join the group with full knowledge of the rights, responsibilities and obligations required of them, and if they do not accept the responsibilities, they are free to remain outside the group.

When it is understood that employers involve themselves voluntarily in this bargaining,and the decision is taken with full recognition that involvement in the group will continue until the dispute is settled, it is difficult to see any rationale for the Department's recent change in policy.

If the provisions relating to voluntary group bargaining are not altered, negotiations in Alberta will simply regress to the state they were in six years ago.

"Whipsawing" and "leapfrogging" will again become the standard procedure and will result in greater spiralling of wages and instability in industry.

We cannot believe that anyone would wish to destroy what little progress we have made over the last few years in this aspect of Collective Bargaining.

VII. AGENCY BARGAINING:

The proposed Act provides for employer group bargaining being conducted through an "employers' organization", which is defined under Section 50(h) as an organization of employers having as one of its objects, the regulation of relations between employers and employees.

The Collective Bargaining Sections satisfy the requirements of many employer groups who carry on their bargaining through a formally-established organization, however,

the Act does not contemplate or provide for group bargaining being conducted through an agency that is not an employers' organization.

Many employers join together in collective bargaining by appointing an individual or agency to conduct the bargaining on their behalf under a letter of authority or appointment, without ever becoming members of an employers' organization. This form of collective bargaining is common and should be provided for within the Act. In order to cover this situation, we recommend that there be additional sections written that provide for employer group bargaining being conducted through an agency that is not an employers' organization.

We are pleased to have been afforded an opportunity of meeting with you concerning this very serious matter.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

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